

AMENDED IN SENATE JULY 15, 2003

AMENDED IN SENATE JULY 2, 2003

AMENDED IN ASSEMBLY APRIL 10, 2003

AMENDED IN ASSEMBLY MARCH 25, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 998

Introduced by Assembly Members Lowenthal and Koretz

February 20, 2003

An act to add Article 9.1 (commencing with Section 41998) to Chapter 3 of Part 4 of Division 26 of the Health and Safety Code, relating to air quality, ~~and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 998, as amended, Lowenthal. Air quality: Nontoxic Dry Cleaning Incentive Program.

Existing law designates the State Air Resources Board as the state agency charged with coordinating efforts to attain and maintain ambient air quality standards.

This bill would require the state board to impose a \$3 per gallon fee on every manufacturer of perchloroethylene in the state, and on every person that imports perchloroethylene into the state for use in dry cleaning, and to deposit the revenues generated by that fee in the Nontoxic Dry Cleaning Incentive Trust Account, which would be established in the Air Pollution Control Fund by the bill. The bill would increase that fee by \$1 each year until 2013, inclusive. The bill would ~~authorize~~ *provide that* moneys deposited in the account ~~to be~~

~~continuously appropriated, without regard to fiscal years, are available~~ for expenditure by the state board, *upon appropriation by the Legislature*, to fund a grant program and demonstration program, and would require those programs to be developed by the state board. The grant program would provide \$10,000 grants to any eligible dry cleaner in the state that utilizes perchloroethylene in its operations to aid its transition to dry cleaning systems determined by the state board to be nontoxic and nonsmog-forming. The bill would require the state board to ensure that 50% of the grant moneys are awarded in a manner that directly reduces air contaminants or reduces the public health risk associated with air contaminants in communities with the most significant exposure to air contaminants or localized contaminants or both, including communities of minority populations or low-income populations, or both. The bill would require the state board, commencing January 1, 2007, and every 3 years thereafter, to provide a report to the Legislature evaluating the effectiveness of the grant program. The bill would require the demonstration program to be funded 50% by matching funds.

Vote: majority. Appropriation: ~~yes~~ *no*. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:
3 (a) State and federal scientific health agencies have determined
4 that perchloroethylene is either a probable, possible, or known
5 carcinogen.
6 (b) Occupational health studies have found elevated rates of
7 lung, cervical, bladder, and other cancers in dry cleaning workers.
8 (c) Laboratory studies have found increased numbers of
9 cancerous tumor in animals exposed to perchloroethylene.
10 SEC. 2. Article 9.1 (commencing with Section 41998) is
11 added to Chapter 3 of Part 4 of Division 26 of the Health and Safety
12 Code, to read:
13
14 Article 9.1. Nontoxic Dry Cleaning Incentive Program
15
16 41998. (a) (1) The state board shall impose a three dollar
17 (\$3.00) per gallon fee on every manufacturer of percholoroethylene



1 in the state and on every person that imports perchloroethylene
2 into the state for use in dry cleaning.

3 (2) The amount of the fee imposed pursuant to paragraph (1)
4 shall increase by one dollar (\$1.00) per gallon on January 1, 2005,
5 and shall increase by one dollar (\$1.00) each subsequent year, until
6 January 1, 2013, inclusive.

7 (b) Moneys generated by the fee imposed pursuant to
8 subdivision (a) shall be deposited in the Nontoxic Dry Cleaning
9 Incentive Trust Account, which is hereby established in the Air
10 Pollution Control Fund.

11 (c) Moneys deposited in the Nontoxic Dry Cleaning Incentive
12 ~~Trust Account are, notwithstanding Section 13340 of the~~
13 ~~Government Code, continuously appropriated, without regard to~~
14 ~~fiscal years, to Trust Account are available for expenditure by the~~
15 state board, *upon appropriation by the Legislature*, to fund the
16 grant program described in Section 41999 and to fund the
17 demonstration project described in subdivision (f) of Section
18 41999. The state board shall allocate, from the moneys derived
19 from the imposition of the fee pursuant to this section, moneys that
20 it determines are sufficient to fund the demonstration project
21 described in subdivision (f) of Section 41999, and shall utilize the
22 remaining moneys to fund the grant program.

23 (d) Not more than 5 percent of the moneys in the account,
24 calculated annually, may be utilized by the state board to
25 administer the grant and demonstration programs.

26 41999. (a) The state board shall develop and establish a grant
27 program that provides incentives for dry cleaners in the state that
28 utilize perchloroethylene in their operations to transition to
29 utilizing dry cleaning systems determined by the state board to be
30 nontoxic and nonsmog-forming.

31 (b) To be eligible for a grant pursuant to this section, applicants
32 shall completely replace their perchlorethylene-based dry
33 cleaning system with a system that the state board has determined
34 to be nontoxic and nonsmog-forming. The state board shall
35 determine the eligibility of grant recipients.

36 (c) The state board shall make grants available in the amount
37 of ten thousand dollars (\$10,000) to any eligible dry cleaning
38 operation for the purchase of a professional dry cleaning system
39 that uses a nontoxic and nonsmog-forming process, as determined
40 by the state board.

1 (d) The state board shall ensure that at least 50 percent of the
2 grant moneys provided pursuant to this section are awarded in a
3 manner that directly reduces air contaminants or reduces the public
4 health risk associated with air contaminants in communities with
5 the most significant exposure to air contaminants or localized air
6 contaminants, or both, including, but not limited to, communities
7 of minority populations or low-income populations, or both.

8 (e) Commencing January 1, 2007, and every three years
9 thereafter, the state board shall provide a report to the Legislature
10 evaluating effectiveness of the grant program.

11 (f) The state board shall establish a demonstration program to
12 showcase professional nontoxic and nonsmog forming dry
13 cleaning technologies in the state. The demonstration program
14 shall require 50 percent matching funds to cover the costs of the
15 demonstration program. Any entity may contribute monies as
16 matching funds, including, but not limited to, a state or federal
17 agency, an air pollution control district or air quality management
18 district, a public utility district, or a nonprofit entity.

